

**DECISION**



**THE COMPTROLLER GENERAL  
OF THE UNITED STATES**  
WASHINGTON, D.C. 20548

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**FILE:** B-216519

**DATE:** February 4, 1985

**MATTER OF:** Cambridge Filter Corporation

**DIGEST:**

Cancellation of RFO issued under small purchase procedures is proper where agency determines that amount involved will exceed authorized ceiling for use of small purchase procedures.

Cambridge Filter Corporation protests the cancellation of request for quotations (RFO) No. N00104-84-X-8937 for air filters, issued by the Navy Ships Parts Control Center. We deny the protest.

On June 7, 1984, the agency issued the RFO for 420 air filters using the small purchase procedures for procurement of items costing less than \$25,000, set out in the Federal Acquisition Regulation (FAR), part 13, 48 Fed. Reg. 42,102, 42,163 - 42,166 (1983) (to be codified at 48 C.F.R. part 13). The contracting officer's initial decision to use the small purchase procedures was based on an incorrect calculation of the cost of the air filters to be procured. After issuance of the RFO but before quotations were due, the contracting officer recalculated the amount involved based on a recent procurement of similar items, and concluded that the cost of the air filters would be approximately \$73,000, far in excess of the \$25,000 ceiling for small purchases in FAR, § 13.000(b). As a result, the RFO was canceled and any quotations received were destroyed without review of their contents. The agency now plans to issue a new solicitation for the air filters without using the small purchase procedures. The agency states that a copy of the new solicitation will be sent to the protester.

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The gist of the protester's argument seems to be that any additional procedures required for a procurement not conducted under the small purchase procedures are insignificant in this case, and thus the cancellation was not necessary. We disagree.

Contracting officers have broad discretion to determine whether a solicitation should be canceled and, where prices have not been disclosed, we will not disturb an agency's determination to cancel unless it is shown to be unreasonable. E.g., Nortec Corporation, B-198232, Sept. 19, 1980, 80-2 CPD ¶ 212. Here, the regulations authorize use of the small purchase procedures only where the amount involved is less than \$25,000. FAR, § 13.000(b). Thus, once the contracting officer determined that the amount of the procurement would exceed the dollar ceiling, the agency was without authority to solicit the items using the small purchase procedures. See FAR, § 1.103(b). Under these circumstances, the agency properly canceled the RFO.

Since the agency does not have the authority to issue an RFO under the small purchase procedures in a situation like this where the amount involved is more than \$25,000, it is not relevant whether, as the protester argues, the procedures for small purchases spelled out in FAR, part 13 would not be significantly different in this particular situation from those to be followed in conducting a non-small purchase procurement for these items. In fact, however, the standards and procedures differ significantly. For example, in procurements costing more than \$25,000, the regulations specify use of a uniform contract format and incorporation of numerous clauses not used under the small purchase procedures. See FAR, §§ 14.201 and 15.406. In addition, while the small purchase procedures authorize limiting the solicitation to three sources, as was done with the RFO in this case, the regulations applicable to standard advertised or negotiated procurements require the agency to solicit offers from all qualified sources necessary to assure full and free competition in the case of an advertised procurement, or to maximize competition in a negotiated procurement. See FAR, §§ 13.106(b)(5), 14.103-1(b), and 15.105(a).

The protester also claims that since a prior contract for these same items was awarded pursuant to a negotiated procurement, authorization must exist to negotiate this procurement through the use of small

purchase procedures. The contract referred to was awarded under a non-small purchase solicitation which cited 10 U.S.C. § 2304(a)(2) (1982) as the negotiation authority. That authority, which permits negotiation where the the public exigency will not permit the delay incident to advertising, has nothing to do with whether the cost of a procurement is such that small purchase procedures may be used in lieu of advertising pursuant to the authority of 10 U.S.C. § 2304(a)(3).

Finally, the protester appears to argue that it has been prejudiced by the cancellation and planned resolicitation because its competitors now know it responded to the RFO and its costs have increased since the original RFO was issued. In view of the fact that the protester's quotation was not disclosed by the agency, we fail to see how the protester would be prejudiced in any significant way by the cancellation and resolicitation. In any event, the protester's contentions provide no basis on which to object to the cancellation or resolicitation, given that the agency lacked authority to conduct the procurement under the original RFO using the small purchase procedures.

The protest is denied.

*for Seymour Egan*  
Comptroller General  
of the United States